30 OCT 1967 CIA No. 1009

MEMORANDUM FOR:

Captain Tazewell T. Shepard, USN

Office of Naval Operations Department of the Navy Washington, D. C. 20350

SUBJECT

Western Pacific and Indian Ocean

Base Study analyses for

REFERENCE

WESTPAC BASES, Ser 0020, 13

October 1967

1. The following comments on the three scenarios accompanying your 13 October memorandum are forwarded at this time, per agreement with Commander French. Se are planning to deliver our comments on the other questions to you by 15 November. As Mr. Smith mentioned to you, we do not now plan to comment on the question—in paragraph three of your memorandum—concerning Indian Ocean merchant traffic in the 1970-1980 period. If it turns out the ONI Field Command at Smithand is not able to assist you on this question, please let us know and we will see what we can do.

2. With regard to the three scenarios generally, the most striking aspect is the treatment accorded the USSR. Soviet interests are not wholly ignored, but they are mentioned rather infrequently and usually secondarily to those of China. The USSR is, after all, a considerable power to be reckoned with in the Western Pacific and probably will be even more so in the future. Moreover, the USSR is in a position to apply substantial economic and political leverage in some of the non-Communist nations of the Pacific. The

Soviets regard themselves as having achieved the status of a world maritime power. Moscow's interests in the Indian Ocean and the bordering states have been growing and will continue to do so and the Soviets have been building up their influence in some of these states. In short, in your review of consideration of the Soviet interest and power position in the Western Pacific and Indian Ocean areas would neem to be in order.

## Scenario A.

- In this "pessimistic" scenario, it is assumed that China "remains active" in promoting wars of Mational Liberation. One is inclined to suggest "is more effective" in place of "remains active." At present China pursues this policy largely by propaganda, which has not been notably effective. It is also said that China and the USSR will undertake separate but parallel action to bring Africa and Asia under Communist rule. Does this mean that this will be accomplished by military action, i.e., military conquest? If not, what is the relevance of all the subsequent discussion of bases for the UK and availability? In the same scenario under Southeast Asia, the reference to "present pace (April 1967) is puzzling. Was this scenario written last April? If so it should be modernized since the pace of the Vietnam war has quickened. Further, there is now no hope that either Peking or Moscow will exercise a moderating influence over Hanoi.
- 4. Under Thailand there is reference to insurgents. Are these Chinese? Do they come by way of Laos or Burma? The ethnic makeup of any insurgent group would have a lot to do with its effectiveness. In a "pessimistic" scenario, Japan could be dealt with in far less cooperative light than is done here.

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6. The posited pressure on India would be likely to produce a result opposite of that described. "Maximum pressure" to keep India non-aligned would be likely to align her. The following sentence regarding what the USSR and China would do is hardly pressure. Suggest, that instead of "pressure" the word "tactics" or "efforts" be substituted. What is meant by "pursuing a diplomatic strategy oriented toward development of Islamic resistance to Communism?" It is unlikely that religion will be more a factor than it is now. It would be both optimistic and unrealistic, in any case, to suppose that Pakistan will worry more about Communism than about India and Kashmir.

## Scenario B.

- 7. Mainland China has yet to pursue an expansionist foreign policy, and "begins" might more accurately be substituted for "continues."
- Reference is made to Indian assistance to the "African liberation movement." The use of this term is as puzzling as the prospect of Indian assistance to it. Is this to be prevented or encouraged?

## Scenario C.

- 9. In general, the direct, and apparently causal, relationship between a less aggressive China and a reduced US presence in this area seems somewhat oversimplified.
- Please have your people call on us for any discussion of the points raised above.



BRUCE C. CLARKE, Jr. Director Strategic Research

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